

## PAPERWORK REDUCTION ACT SUBMISSION

Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW Washington, DC 20503.

1. Agency/Subagency originating request  <u>Dept. of Homeland Security/US Coast Guard</u>		2. OMB control number a. <u>1 6 2 5 - 0 0 2 4</u> b. <input type="checkbox"/> None	
3. Type of information collection (check one) a. <input type="checkbox"/> New collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input checked="" type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number <i>For b-f, note item A2 of Supporting Statement instructions</i>		4. Type of review requested (check one) a. <input checked="" type="checkbox"/> Regular submission b. <input type="checkbox"/> Emergency - Approval requested by: <u>   </u> / <u>   </u> / <u>   </u> c. <input type="checkbox"/> Delegated 5. Small entities. Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
		6. Requested expiration date a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other Specify: <u>   </u> / <u>   </u>	
7. Title <u>Safety Approval of Cargo Containers</u>			
8. Agency form number(s) (if applicable) <u>n/a</u>			
9. Keywords <u>Approval, Cargo, Container, Marine safety, Transportation, Vessel</u>			
10. Abstract  <u>This information collection requires owners and manufacturers of cargo containers to submit information and keep records associated with the approval and inspection of those containers. This information is needed to ensure compliance with the International Convention for Safe Containers (CSC).</u>			
11. Affected public (Mark primary with "P" and all others that apply with "X") a. <input type="checkbox"/> Individuals or households d. <input type="checkbox"/> Farms b. <input checked="" type="checkbox"/> Business or other for-profit e. <input type="checkbox"/> Federal Government c. <input type="checkbox"/> Not-for-profit institutions f. <input type="checkbox"/> State, Local or Tribal Gov't		12. Obligation to respond (Mark primary with "P" and all others that apply with "X") a. <input type="checkbox"/> Voluntary b. <input checked="" type="checkbox"/> Required to obtain or retain benefits c. <input type="checkbox"/> Mandatory	
13. Annual reporting and recordkeeping hour burden a. Number of respondents <u>81</u> b. Total annual responses <u>2,155,906</u> 1. Percentage of these responses collected electronically <u>98</u> % c. Total annual hours requested <u>73,272</u> d. Current OMB inventory <u>101,732</u> e. Difference <u>- 28,460</u> f. Explanation of difference 1. Program change 2. Adjustment <u>- 28,460</u>		14. Annual reporting and recordkeeping cost burden (in thousands of dollars) a. Total annualized capital/startup costs b. Total annual costs (O&M) c. Total annualized cost requested d. Current OMB inventory e. Difference f. Explanation of difference 1. Program change 2. Adjustment	
15. Purpose of information collection (Mark primary with "P" and all others that apply with "X") a. <input type="checkbox"/> Application for benefits e. <input type="checkbox"/> Program planning or management b. <input checked="" type="checkbox"/> Program evaluation f. <input type="checkbox"/> Research c. <input type="checkbox"/> General purpose statistics d. <input type="checkbox"/> Audit g. <input checked="" type="checkbox"/> Regulatory or compliance		16. Frequency of recordkeeping or reporting (check all that apply) a. <input checked="" type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting 1. <input checked="" type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input checked="" type="checkbox"/> Other (describe) <u>2.5 yrs</u>	
17. Statistical methods Does this information collection employ statistical methods? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		18. Agency contact (person who can best answer questions regarding the content of this submission) Name: <u>Mr. David Du Pont</u> Phone: <u>(202) 267-0971</u>	

## **Supporting Statement for Safety Approval of Cargo Containers**

### **A. Justification.**

#### **1. Circumstances that make the collection of information necessary.**

The United States is signatory to the International Convention for Safe Containers (CSC), which requires that containers be approved before shipment internationally. The Coast Guard has the responsibility of enforcing the CSC (Pub. L. 95-208, 49 CFR Part 1.46(n)). This responsibility requires that the Coast Guard promulgate regulations for the initial approval of existing and new containers. These regulations (49 CFR Parts 450-453) require that container owners and manufacturers submit information and keep records to make it possible for the Coast Guard or its appointed agents to conduct the approval process.

The reporting requirements are necessary to provide the Coast Guard the information it needs to approve new equipment and designs. The recordkeeping requirements are necessary to assist the Coast Guard in its inspections of containers following approval.

This information collection supports the following strategic goals:

##### Coast Guard

- Safety
- Security
- Protection of the natural resources

##### Marine Safety, Security and Environmental Protection Directorate (G-M)

- Safety: eliminate deaths, injuries, and property damage associated with commercial maritime operations.
- Security: eliminate marine transportation and coastal security vulnerability.
- Human and Natural Environment: eliminate environmental damage associated with maritime transportation and operations on/around the nation's waterways.

#### **2. By whom, how, and for what purpose the information is to be used.**

(a) The reporting information is used by the Coast Guard and the delegated approval authorities to:

- (1) Receive design information for review and approval,
- (2) Receive information about the continuous examination program, and
- (3) Ensure additional manufacturing runs of an approved design are not being altered in unauthorized ways.

(b) The required records are used to:

- (1) Ensure adequate documentation to verify an individual container or design type's approval,

- (2) Ensure documentation that allows the Coast Guard to monitor the continuous examination program, and
- (3) Allow free movement of U.S. containers in foreign trade. Often, foreign countries will not allow containers to pass if they are not marked showing that they have received all approvals and inspections.

3. Consideration of the use of improved information technology.

The respondents formulate their own applications because each situation is unique. These applications may be sent to the relevant authority via the applicant's preferred format (i.e., fax, email, or hardcopy). The records maintained by the manufacturers are not subject to any Coast Guard restrictions. They may be stored electronically or otherwise, depending upon the manufacturers' preferences. We estimate the vast majority of records will be maintained electronically.

4. Efforts to identify duplication. Why similar information cannot be used.

No similar reporting or recordkeeping data is collected by any other federal agency.

5. Methods to minimize the burden to small businesses if involved.

These regulations set the standards for containers at the lowest possible levels that will satisfy the CSC.

6. Consequences to the Federal program if the collection(s) was conducted less frequently.

The only collection activity that occurs on a regular basis is the recordkeeping that must be performed for the continuing examination programs. The requirement is based on the minimum burden allowed in the CSC. All other collections occur only at the introduction of a new container design.

7. Explain any special circumstances that would cause the information collection to be conducted in a manner inconsistent with guidelines.

There are no special circumstances.

8. Consultation.

Industry representatives, manufacturers, and approval authorities were consulted concerning these regulations. The rulemaking process also allows anyone to comment on the regulations. To this point, the Coast Guard has not received any negative comments. Those affected recognize the necessity of these procedures for complying with the international CSC standards.

9. Explain any decision to provide any payment or gift to respondents.

There are no payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents.

If a manufacturer or owner considers certain information proprietary, the Coast Guard will maintain confidentiality.

11. Additional justification for any questions of a sensitive nature.

No information of a sensitive nature is required in this collection process.

12. Estimates of reporting and recordkeeping hour and cost<sup>1</sup> burdens of the collection of information.

Respondent Assumptions:

- There are approximately 8 container manufacturers producing containers for U.S. owners.
- There are currently 11 approval authorities issuing container approvals for the U.S. Coast Guard.
- There are currently 52 owners enrolled in the continuous examination program.
- There are approximately 10 owners not enrolled in the continuous examination program.
- Therefore, there are approximately 81 respondents involved at various stages of this collection.

**A. Reporting Requirements**

There are approximately 3,096 reporting hours annually. This estimate was derived by the following:

- (1) Organizations wishing to become approval authorities submit an application to the Coast Guard. Based upon past trends, the Coast Guard estimates that 2 approval authority applications will be submitted for review each year.
- (2) The owner or manufacturer submits an application for approval of each new container design type to the approval authority. The authority will review the application and, if approved, will permit the owner to attach the safety approval plate to the containers. The Coast Guard estimates there are 100 applications submitted each year.
- (3) An owner submits an application to the Coast Guard for approval of a continuous examination program (ACEP). Based upon past trends, the Coast Guard estimates that 2 ACEP applications will be submitted for review each year.

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<sup>1</sup> Labor costs are from the USCG "Standard Rates" (COMDTINST 7310.1F).

Table 1. The annual reporting burden.

Item	Frequency	Hours	Hours/Year
Application to become an approval authority	2	24	48
Application for approval of container design	100	24	2400
Review by approval authority of container design.	100	6	600
Application for ACEP	2	24	48
<b>Total</b>			<b>3,096 hours/year</b>

## B. Recordkeeping Requirements

There are approximately 70,176 recordkeeping hours annually. This estimate was derived by the following:

(1) Each time an approval is issued by an approval authority, the approval authority must keep the following documents for a period of 15 years:

- The notice of approval,
- A copy of the application and the final approved drawings for each approval, and
- The manufacturer's serial numbers and the owner's identification numbers for all containers approved.

(2) According to the Institute of International Container Lessors (IICL), there are approximately 11.4 million containers. Of these it is estimated that about 45% (5.13 million) are U.S. flag containers. Each container must be examined every 30 months, meaning that approximately 2.052 million containers are examined in any given year. These records must be maintained by the container owners.

(3) In addition to recording when containers are examined, those containers that are not part of a continuous examination program must be labeled to show when the next inspection is due. It is estimated that 5% of the U.S. flag containers (256,500 containers total or approximately 102,600 containers in any given year) are not part of ACEP and will, thus, need to be labeled.

(4) New containers require labeling with the safety approval plate. The Coast Guard, based on discussions with delegated approval authorities, estimates that 1,000 containers are manufactured in the U.S. annually.

Table 2. The annual recordkeeping burden.

<b>Item</b>	<b>Frequency</b>	<b>Hours</b>	<b>Hours/year</b>
Retain container design approval by approval authority	100	0.167	16.7
Store receipt of approval for the continuous examination program	2	0.33	0.67
Records of periodic examinations of containers	2,052,000	0.03	61,560
Label containers after each examination	102,600	0.083	8,515.8
Label containers with the safety approval plate	1,000	0.083	83
<b>Total</b>			<b>70,176 hours/year</b>

**C. Total Cost to the Public**

Reporting Hours .....	3,096
Recordkeeping Hours .....	70,176
Total Public Hour Burden .....	73,272

We estimate that the average wage rate for the people performing the work required for these submissions will be \$34/hour, which is equivalent to the GS-9 out-of-government hourly rate from USCG “Standard Rates” (COMDTINST 7310.1F). This yields a total cost to the public of **\$2,491,248/year**.

13. Estimates of annualized capital and start-up costs.

There are no annualized capital and start-up costs.

14. Estimates of annualized Federal Government costs.

The hour and cost burdens to the Federal Government are incurred during review of certain applications and programs.

Table 3. Federal Government Hour Burden.

<b>Item</b>	<b>Frequency</b>	<b>Hours</b>	<b>Hours/year</b>
Review of the approval authority application	2	10	20
Review of the ACEP application	2	5	10
<b>Total</b>			<b>30 hours/year</b>

We estimate that an individual at the GS-14 level will perform these reviews. This is equivalent to the in-government hourly rate of \$61/hour from the USCG “Standard Rates” (COMDTINST 7310.1F). Therefore, the total cost to the government equates to **\$1,830/year**.

15. Explain the reasons for the change in burden.

The hour burden change is an ADJUSTMENT based on the estimate of the numbers of U.S. flag containers and recent application trends.

16. For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication.

There are no such plans.

17. Explain the reasons for seeking not to display the expiration date for OMB approval of the collection of information.

We are not seeking such approval. The OMB Number will appear on appropriate PRA disclosure information.

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.

**B. Collection of Information Employing Statistical Methods.**

This information collection does not employ statistical methods.